

Testimony Elizabeth Gara Connecticut Water Works Association Before the Energy & Public Utilities Committee March 5, 2013

Re: SB-109 - AN ACT CONCERNING NOTIFICATION TO MUNICIPALITIES OF TERMINATION OF A CUSTOMER'S UTILITY SERVICE.

SB-109 would require electric, gas and water companies to notify the chief elected official of the municipality in which the customer resides if service has been terminated for seven continuous days, presumably to ensure that someone from the town could check on the welfare of the residents.

Although we appreciate what the proponents of the bill are trying to accomplish, the Connecticut Water Works Association (CWWA), an association of municipal, private and regional water companies, has concerns with the practical aspects of how this would be implemented.

SB-109 may undermine state and federal laws designed to protect customer privacy. Utilities have access to considerable amounts of customer information and are required to implement policies to safeguard the privacy of customer information under state and federal laws, including the Federal Red Flag Program, Sections 114 and 315 of the Fair and Accurate Credit Transactions Act (FACTA) of 2003. By requiring utilities to notify municipal officials regarding service termination, this information would then be subject to disclosure under the Freedom of Information Act.

In addition, the chief elected official of a municipality may not be the individual best positioned to provide assistance to individuals under these circumstances. Rather, it may be the local or regional health director or the social services agency. Moreover, as drafted, the bill does not require municipalities to contact the residents to determine if there are health and welfare issues that should be resolved so it is unclear what purpose the notice would serve.

Further, we are not sure, given the sheer volume of the shut offs that occur on a daily basis between all the utilities in a community, that it would be practical for the town official to consistently receive and/or process the information in a timely way. A notification requirement may create a false sense that this will protect consumers; however, it is not clear what would be done when such notice is provided. The chief elected official would not have the authority nor should have the expectation to require the utility to restore service without payment or a reasonable payment arrangement.

In addition, water utilities would be required to update systems to track the number of days the service remains off after the termination, which could prove costly. Although utilities know when service is shut off, most utilities do not normally 'age' or otherwise track those, except to take action to restore once payment is received.

Also it should be noted, particularly with water service, many properties may have their service shut off for extended periods of time, at the request of the customer, either because the property is vacant between owners or is seasonal. As such, we would expect the notice would only be required in cases where service is terminated for nonpayment. Doing so, however, may require further modifications to utility customer information systems to distinguish between such account records.